

A Study on procurement and supply chain Management at L M Badal Paraboiled Rice Mill, yadgir

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Abstract—Procurement and Supply Chain Management play a significant role in improving the operational efficiency and competitiveness of manufacturing industries, especially in the rice milling sector where timely procurement of quality raw materials and effective distribution of finished products are essential. The present study focuses on procurement and supply chain management practices followed at LM Badal Rice Mill, Yadgir, Karnataka. The main objective of the study is to examine the existing procurement procedures, inventory management, supplier relationship, transportation system, warehouse management, and overall supply chain performance of the organization. The research is based on both primary and secondary data. Primary data were collected from 100 employees through a structured questionnaire consisting of 25 questions, while secondary data were collected from company records, journals, books, company publications, and websites. Percentage analysis has been used to interpret the collected data. The findings reveal that the company maintains good procurement planning, reliable supplier relationships, proper inventory management, and satisfactory logistics operations. Employees expressed a high level of satisfaction with procurement and supply chain practices.

I. INTRODUCTION

Procurement and Supply Chain Management (PSCM) is a vital function in manufacturing industries that ensures the timely procurement of quality raw materials and the efficient movement of products from suppliers to customers. Effective procurement and supply chain practices help organizations reduce costs, improve operational efficiency, maintain product quality, and enhance customer satisfaction. These

themes are central to the introduction and scope of your report.

In the rice milling industry, procurement and supply chain management play a crucial role because the quality and availability of paddy directly influence production and final product quality. Rice mills procure paddy from farmers, traders, commission agents, and APMC markets before processing it through cleaning, drying, milling, grading, packaging, storage, and distribution.

India is one of the world's leading rice producers and exporters, while Karnataka, particularly Yadgir district, is an important rice-producing region with several rice mills supporting agricultural and economic development. LM Badal Rice Mill, located in Yadgir, procures quality paddy and processes it into products such as Sona Masuri Raw Rice, Sona Masuri Parboiled Rice, Premium Grade Rice, Broken Rice, Rice Bran, Rice Husk, and Rice Polish. The company emphasizes quality procurement, efficient inventory management, and strong supplier relationships.

II. LITERATURE REVIEW

A literature review provides the theoretical foundation for the study by examining previous research related to procurement and supply chain management. Various researchers have highlighted the importance of procurement planning, supplier relationship management, inventory control, logistics, warehouse management, and quality assurance in improving organizational performance. The literature reviewed for this study indicates that an effective supply chain not only minimizes operational costs but also enhances customer satisfaction, product quality, and business

competitiveness. Your report includes 20 literature review points and identifies a research gap specific to LM Badal Rice Mill.

Review of Previous Studies

1. Chopra and Meindl (2022) explained that procurement, production, inventory, transportation, and distribution are the major components of supply chain management. Proper coordination among these activities improves operational efficiency and reduces costs.
2. Kotler and Keller (2020) stated that customer satisfaction depends on product quality, timely delivery, and efficient distribution systems. Effective supply chain management strengthens customer loyalty and market competitiveness.
3. Christopher (2016) emphasized that supply chain management creates competitive advantage by improving responsiveness, reducing operational costs, and strengthening supplier relationships.
4. Rice Supply Chain Management Review (2022) reported that procurement planning, inventory management, transportation efficiency, and coordination among stakeholders are the major determinants of supply chain performance.
5. Kwofi et al. (2017) observed that proper soaking, steaming, drying, and milling processes improve rice quality while reducing processing costs and wastage.
6. MDPI Agriculture Review (2023) concluded that automation, modern machinery, and digital technologies significantly improve milling efficiency, product quality, and storage life.
7. Journal of Agribusiness Development (2023) identified transportation delays, supplier variability, and inventory shortages as major challenges affecting supply chain performance.

III. OBJECTIVES OF THE STUDY

The study has been undertaken with the following objectives:

1. To study the procurement practices followed by LM Badal Rice Mill, Yadgir.
2. To examine the supply chain management system adopted by the company.
3. To analyze procurement planning, supplier selection, inventory management, logistics, and warehouse operations.

4. To identify the challenges faced in procurement and supply chain activities.
5. To evaluate employee satisfaction regarding the procurement and supply chain management practices.
6. To provide suitable suggestions for improving procurement efficiency and supply chain performance. These objectives are adapted from the objectives listed in your report.

IV. RESEARCH METHODOLOGY

The study adopted a systematic research methodology to collect, analyze, and interpret data for achieving the research objectives. A descriptive and analytical research design was used to examine the procurement and supply chain management practices at LM Badal Rice Mill, Yadgir. Primary data were collected through a structured questionnaire consisting of 25 questions administered to 100 employees selected using the convenience sampling technique. The collected data were analyzed using percentage analysis, frequency distribution tables, graphical presentation, and interpretation methods to evaluate procurement planning, supplier selection, inventory management, logistics, warehouse operations, and overall supply chain performance. This methodology is consistent with the approach described in your internship report.

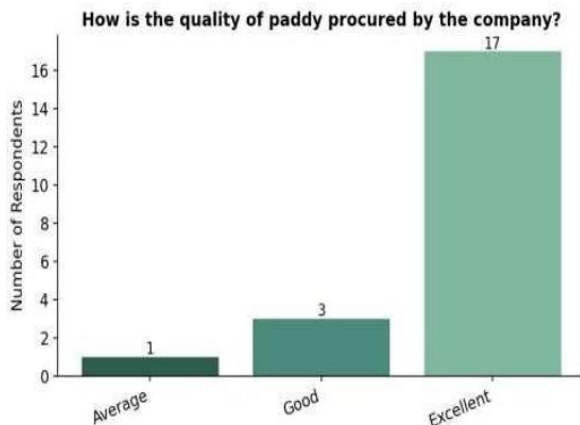
V. DATA ANALYSIS

This chapter presents the evaluation and interpretation of the original data collected through a structured questionnaire administered to 21 employees of the business across the Production, Quality Control, Warehouse, Administration, Accounts and Maintenance departments. The questionnaire captured respondent demographics along with their perception of procurement, inventory management, production, transportation and overall supply chain performance. The responses have been calculated using straightforward percentage analysis and presented through tables and charts, each followed by a brief interpretation, so as to draw out the practical meaning behind the numbers rather than simply reporting them.

Survey Responses

Q1: How is the quality of paddy procured by the company?

Rating	No. of Respondents	Percentage (%)
Average	1	4.8%
Good	3	14.3%
Excellent	17	81.0%
Total	21	100%

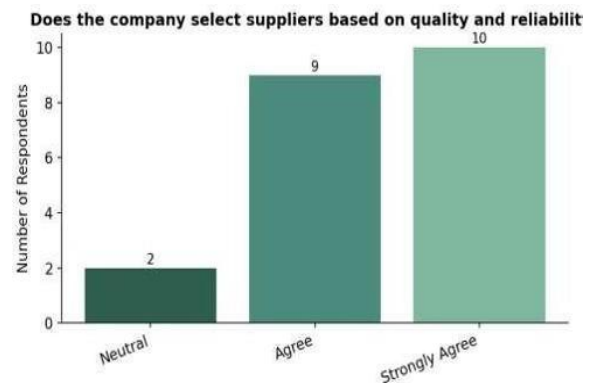


Interpretation

An overwhelming majority of employees, 17 respondents (81.0%), rated the quality of paddy procured by the company as excellent, with the rest describing it as good or average and virtually no one calling it poor. This tells us that the raw material sourcing function is working well and that the company has largely succeeded in tying up with suppliers who can consistently deliver paddy of acceptable grade.

Q2: Does the company select suppliers based on quality and reliability?

Response	No. of Respondents	Percentage (%)
Neutral	2	9.5%
Agree	9	42.9%
Strongly Agree	10	47.6%
Total	21	100%

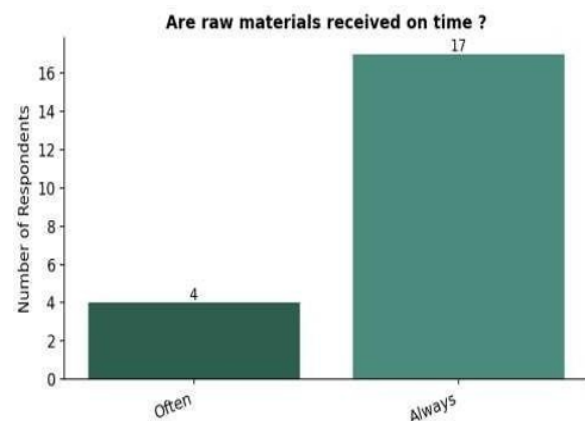


Interpretation

Combining the "Agree" and "Strongly Agree" categories, about 90.5% of respondents feel that supplier selection genuinely factors in quality and reliability, and only a small neutral segment remains undecided. This suggests that the vendor evaluation criteria used by the purchase department are perceived as sound, even if a few employees may not be fully aware of how supplier shortlisting decisions are actually made.

Q3: Are raw materials received on time?

Response	No. of Respondents	Percentage (%)
Often	4	19.0%
Always	17	81.0%
Total	21	100%



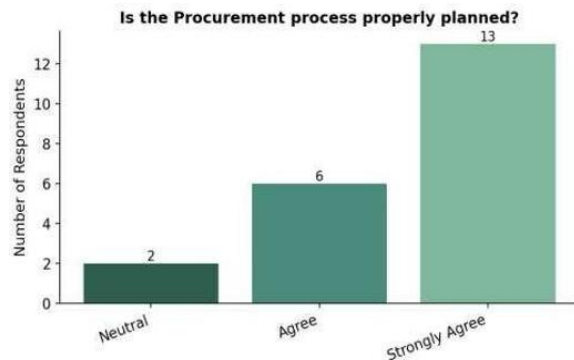
Interpretation

As many as 17 respondents (81.0%) reported that raw materials always arrive on time, and the balance said this happens often. No respondent selected sometimes,

rarely or never. This is a strong indicator of reliable inbound logistics and points to effective coordination between the company and its paddy suppliers regarding delivery schedules.

Q4: Is the Procurement process properly planned?

Response	No. of Respondents	Percentage (%)
Neutral	2	9.5%
Agree	6	28.6%
Strongly Agree	13	61.9%
Total	21	100%

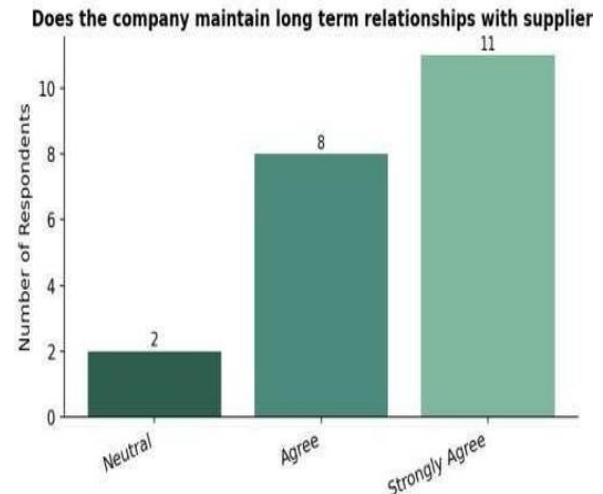


Interpretation

A clear majority, 13 respondents (61.9%), strongly agree that the procurement process is properly planned, and almost all remaining respondents at least agree with the statement. This reflects positively on the purchase team's forecasting and planning discipline, though the presence of a small neutral group hints that planning visibility could still be improved for employees outside the core procurement function.

Q5: Does the company sustain enduring connections with suppliers?

Response	No. of Respondents	Percentage (%)
Neutral	2	9.5%
Agree	8	38.1%
Strongly Agree	11	52.4%
Total	21	100%



Interpretation

Around 90.5% of respondents concur or firmly concur that the company nurtures longterm relationships with its suppliers. Stable, long-standing supplier ties usually translate into better pricing, priority during scarcity, and more consistent paddy quality. Thus, this result is consistent with the positive ratings seen for procurement planning and material quality.

VI. FINDINGS

The findings of the study are derived from the overall analysis of procurement and supply chain management practices at LM Badal Rice Mill, Yadgir.

1. The study found that LM Badal Rice Mill follows a systematic procurement process for purchasing quality paddy from reliable farmers, traders, and suppliers.
2. The organization gives significant importance to supplier selection based on quality, reliability, pricing, and timely delivery of raw materials.
3. The company maintains healthy long-term relationships with suppliers, ensuring a continuous supply of quality paddy throughout the production cycle.
4. Inventory management practices adopted by the company help maintain adequate stock levels and minimize shortages during production.
5. Warehouse facilities are properly utilized for safe storage of paddy and finished rice, reducing damage and quality deterioration.
6. Production activities are well coordinated with procurement and inventory functions, ensuring uninterrupted manufacturing operations.

7. Quality inspection is carried out at different stages of procurement, production, and packaging to maintain product quality.
8. The transportation system supports timely movement of raw materials and finished products to different markets.
9. The company effectively utilizes rice by-products such as rice bran, rice husk, broken rice, and rice polish, thereby reducing wastage and generating additional revenue.
10. Employees expressed overall satisfaction with the procurement and supply chain management practices followed by the organization.

VII. SUGGESTIONS

Based on the findings of the study, the following suggestions are recommended to improve procurement and supply chain management at LM Badal Rice Mill:

1. The company should introduce digital procurement and inventory management software to improve operational efficiency and reduce manual errors.
2. Supplier performance should be evaluated periodically using measurable criteria such as quality, delivery performance, and pricing.
3. Modern warehouse management systems should be implemented to improve storage efficiency and reduce inventory losses.
4. Barcode technology and computerized stock monitoring systems should be adopted for accurate inventory control.
5. Employee training programs should be organized regularly on procurement planning, warehouse management, quality control, and logistics.
6. Transportation planning should be strengthened to minimize delivery delays and transportation costs.
7. The company should strengthen quality inspection procedures by introducing modern quality testing equipment wherever feasible.
8. Long-term procurement contracts with reliable suppliers may help ensure uninterrupted availability of quality raw materials.
9. Greater emphasis should be given to sustainable procurement practices and efficient utilization of by-products to support environmental sustainability.
10. Continuous monitoring of procurement and supply chain performance through Key

Performance Indicators (KPIs) should be implemented for better decision-making.

11. Customer feedback should be collected regularly to improve product quality and distribution efficiency.
12. The organization should explore opportunities for expanding its market through stronger branding, improved packaging, and wider distribution networks.

VIII. CONCLUSION

Procurement and Supply Chain Management have become essential components of organizational success in today's competitive manufacturing environment. The present study concludes that LM Badal Rice Mill has established an effective procurement system supported by proper supplier relationships, inventory management, warehouse facilities, production coordination, logistics, and quality control practices. These activities contribute significantly to the smooth functioning of the organization and enhance its operational performance. The study also reveals that timely procurement of quality paddy, efficient inventory management, proper storage facilities, and systematic transportation have enabled the company to maintain product quality and customer satisfaction. Effective utilization of rice by-products further contributes to operational efficiency and business profitability.

However, increasing competition and technological advancements require continuous improvement in procurement and supply chain practices. Adoption of digital technologies, modern inventory systems, warehouse automation, employee skill development, and sustainable supply chain practices will further strengthen the company's competitive position.

Overall, the study concludes that efficient procurement and supply chain management not only improve organizational productivity and profitability but also contribute to long-term business sustainability. The recommendations provided in this research will assist LM Badal Rice Mill in enhancing its operational efficiency and maintaining a strong position in the rice milling industry. This conclusion reflects the focus and objectives presented throughout your internship report.

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